

INTELLIGENCE

**INFORMATION REPORT**

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**CHARACTER:** Miscellaneous Information on Various East German Economic Agencies

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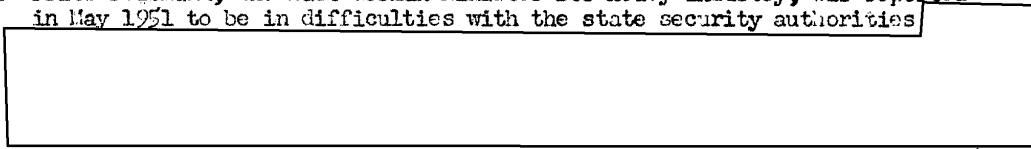
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1. Fritz Selbmann, the East German Minister for Heavy Industry, was reported in May 1951 to be in difficulties with the state security authorities



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2. Heinrich Rau, chief of the DVR State Planning Commission, is reported to have remarked [redacted] that he was strongly opposed to Ulbricht's policy of placing all emphasis on party reliability in the selection of personnel for responsible administrative positions. Rau is willing to risk possible defections in pressing for efficient industrial management.
3. Lojewski, fnu, chief of the Tools Division of the DAIMA Machinery and Electrotechnology branch, is reported to have suffered a nervous breakdown in May 1951. His duties were assumed by Kohn, fnu, chief of the Presses and Shears Division, who undertook to direct the work of both divisions.
4. DAIMA Machinery and Electrotechnology has set up a separate division for the supervision of compensation transactions (Maschinenkompensationen) i.e., all machine deliveries to eastern bloc states which are being made to settle old accounts and involve no currency payments. The division fulfills obligations not only with machinery manufactured in the DAI, but also with machinery purchased by DAIMA from abroad. In charge of this division is Lape fnu.
5. The principal engineers at the Hennigsdorf steel works near Berlin have been identified as Chefingenieur Rottmann, fnu, and Oberingenieur Balke, fnu. Balke is of Estonian origin and has apparently been lent to Hennigsdorf by the Russians. He supervised the installation there of the plate rolling mill which had been delivered to the plant as a gift of the USSR.
6. It has been reported, but not confirmed, that Division 4 of the State Secretariat for Materials Procurement (Staatssekretariat für Materialbeschaffung, Leipzigerstr. 9), the so-called Division for Interzonal Transactions, is actually a command post for the direction of illegal black market transactions.

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\* [redacted] **Comment:** Lape was previously identified in [redacted] as being in charge of the Division for Lathes and Milling Machines.

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